

PETER G. EIKENBERRY
74 TRINITY PLACE, STE. 1609
NEW YORK, NEW YORK 10006

Peter G. Eikenberry
Robert C. Ruhlin

TEL: (212) 385-1050
FAX: (212) 385-1017
pete@eikenberrylaw.com

August 1, 2008

Via Fax and ECF

Honorable Robert W. Sweet
United States District Judge
United States District Court
Southern District of New York
United States Courthouse
500 Pearl Street, Room 1920
New York, NY 10007

*Castro et al : Spice Place, Inc. et al
07 cv 4657 (RWS)*

Dear Judge Sweet:

The NYS Attorney General's office and plaintiffs' counsel have negotiated an agreement to indefinitely stay the Attorney General's July 30 motion in the above styled action in order to give time to resolve our differences amicably.

I enclose a copy of the letter agreement as executed by Joshua Pepper of the Attorney General's office.

Respectfully submitted,



PGEikenberry/ rb
Enclosure

cc: (By Fax with enclosure)
Joshua Pepper, Esq.
Michael Faillace, Esq.
Robert D. Lipman, Esq.
Richard E. Signorelli, Esq.

PETER G. EIKENBERRY
74 TRINITY PLACE, STE 1609
NEW YORK, NEW YORK 10006

Peter G. Eikenberry
Robert C. Rushkin

TEL: (212) 385-1060
FAX: (212) 385-1017
pete@eikenberrylaw.com

July 31, 2008

Via fax 212-416-6075
The Office of
The Honorable Andrew Cuomo
Attorney General of the State of New York
120 Broadway
New York, New York 10271
Attention: Joshua Pepper, Esq.

Castro et al: Spice Place et al
07 cv 4657

Dear Josh:

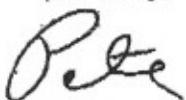
Pursuant to our conversation of today, it is agreed that the motion of the Attorney General in the above styled case, dated July 30, 2008 (the "July 30 motion") is stayed. It is also agreed that the stay shall end as of the date that plaintiffs serve and file answering papers to the July 30 motion. In the event that plaintiffs do serve and file answering papers to the July 30 motion, the Attorney General shall have 14 days from the date of plaintiffs' filing of answering papers to serve and file reply papers.

We also agree that we shall continue to discuss how all controversies which are the subject of the July 30 motion might be amicably resolved. If this letter is in accordance with your understanding of our conversation, please execute a copy of it and return to me for filing with the Court.

Thank you for your cooperation.

Best wishes.

Sincerely,



The Honorable Andrew Cuomo
July 31, 2008
Page 2 of 2

ACCEPTED
Andrew M. Cuomo
The Attorney General of the
State of New York
by Joshua Pepper
Assistant Attorney General
July 31, 2008

PGEikenberry/rb
cc: (via fax)
Robert Lipman, Esq.
Michael Faillace, Esq.